

103D CONGRESS
1ST SESSION

H. R. 1129

To direct the President to develop a plan for transferring all real property, facilities, and equipment of the Tennessee Valley Authority to public and private entities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 24, 1993

Mr. SANTORUM (for himself, Mr. INGLIS of South Carolina, Mr. DOOLITTLE, and Mr. ZIMMER) introduced the following bill; which was referred to the Committee on Public Works and Transportation

A BILL

To direct the President to develop a plan for transferring all real property, facilities, and equipment of the Tennessee Valley Authority to public and private entities, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Tennessee Valley Au-
5 thority Power Privatization Act of 1993”.

6 **SEC. 2. SENSE OF CONGRESS.**

7 It is the sense of Congress that—

1 (1) the power generation and transmission fa-
2 cilities of the Tennessee Valley Authority should be
3 privatized; and

4 (2) the transfer of all property of the Tennessee
5 Valley Authority remaining after such privatization
6 should be made to other Federal, State, and local
7 agencies in an orderly and expeditious manner.

8 **SEC. 3. PURPOSES.**

9 The purposes of this Act are—

10 (1) to achieve the intention of Congress set
11 forth in section 2 by requiring the President to de-
12 velop a plan—

13 (A) for the sale of the power generating
14 and transmission facilities and equipment of the
15 Tennessee Valley Authority to the private sector
16 in groupings that will introduce competition
17 into the generation and sale of electric power;

18 (B) for the transfer of the National Fer-
19 tilizer and Environmental Research Center to a
20 public or private entity which will carry out the
21 functions of such Center;

22 (C) for the transfer to other governmental
23 entities of all property of the Tennessee Valley
24 Authority remaining after the sales and trans-

1 fers described in subparagraphs (A) and (B);
2 and

3 (D) for the orderly termination of the Ten-
4 nessee Valley Authority after the completion of
5 such sales and transfers; and

6 (2) to provide a method for reducing the na-
7 tional debt through the use of the income derived
8 from such sales and transfers.

9 **SEC. 4. TVA PRIVATIZATION PLAN.**

10 (a) IN GENERAL.—Not later than September 30,
11 1994, the President shall develop and transmit to Con-
12 gress a plan for transferring, by sale or otherwise, of all
13 real property, facilities, and equipment of the Tennessee
14 Valley Authority to appropriate public and private entities.

15 (b) CONTENTS.—The plan to be developed under sub-
16 section (a) shall include, at a minimum, recommendations
17 (including legislative recommendations) of the President
18 concerning each of the following:

19 (1) TRANSFER OF POWER FACILITIES AND
20 EQUIPMENT.—Transfer by sale of the power genera-
21 tion and transmission facilities and equipment of the
22 Tennessee Valley Authority, including real property
23 used in connection with such facilities and equip-
24 ment, for the purpose of maximizing proceeds from
25 such sales. Such transfers may provide for the sale

1 of generating equipment and facilities to persons
2 other than the persons to whom transmission facili-
3 ties are sold. Such transfers shall be subject to the
4 following conditions: Former customers of power
5 from the Tennessee Valley Authority will continue to
6 be served and reliability of service will be ensured by
7 establishing control areas in cooperation with sur-
8 rounding control areas. Such transfers may provide,
9 to the extent practicable, for the grouping of facili-
10 ties utilizing different sources of power (including
11 coal-fired, nuclear, and hydroelectric generating fa-
12 cilities) and provide for access to the transmission
13 grids of the Tennessee Valley Authority by such
14 groupings to ensure availability of power from dif-
15 ferent sources and to enhance competition. All out-
16 standing loans associated with such facilities and
17 equipment shall be assumed by the purchasers.

18 (2) TRANSFER OF NATIONAL FERTILIZER AND
19 ENVIRONMENTAL RESEARCH CENTER FACILITIES
20 AND EQUIPMENT.—Transfer by sale of real property,
21 facilities, and equipment used by the National Fer-
22 tilizer and Environmental Research Center of the
23 Tennessee Valley Authority to a public or private en-
24 tity which agrees to continue to carry out the func-
25 tions of the Center for at least 5 years after assum-

1 ing ownership. If such sale cannot be arranged, such
2 transfer may be by donation to an appropriate entity
3 subject to agreement that the functions of the Cen-
4 ter will be continued for at least 10 years.

5 (3) TRANSFER OF JURISDICTIONAL AUTHORITY
6 OVER REAL PROPERTY.—Transfer to appropriate
7 governmental departments and agencies, including
8 the National Park Service, of jurisdictional authority
9 over real property which is controlled by the Ten-
10 nessee Valley Authority and which is not transferred
11 under paragraphs (1) and (2).

12 (4) TRANSFER OF CERTAIN FUNCTIONS.—
13 Transfer to appropriate Federal departments and
14 agencies of functions of the Tennessee Valley Au-
15 thority which are not related to power generation.

16 (5) TERMINATION OF TVA.—Termination of the
17 Tennessee Valley Authority after the transfers under
18 paragraphs (1), (2), (3), and (4) have been made.

19 (c) ADDITIONAL REQUIREMENTS.—The plan devel-
20 oped under subsection (a) shall include—

21 (1) a step-by-step procedure to carry out the
22 sales and transfers described in subsection (b);

23 (2) a timetable for implementation of each step
24 of the plan;

- 1 (3) an estimate of the amount of anticipated
- 2 net proceeds from the sale of assets of the Ten-
- 3 nessee Valley Authority; and
- 4 (4) an estimate of the cost of implementing the
- 5 plan.

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